FULLERTON FUND MANAGEMENT
A member of Seviora Group

Fullerton Short Term Interest Rate - Class B1 (SGD)

July 2026

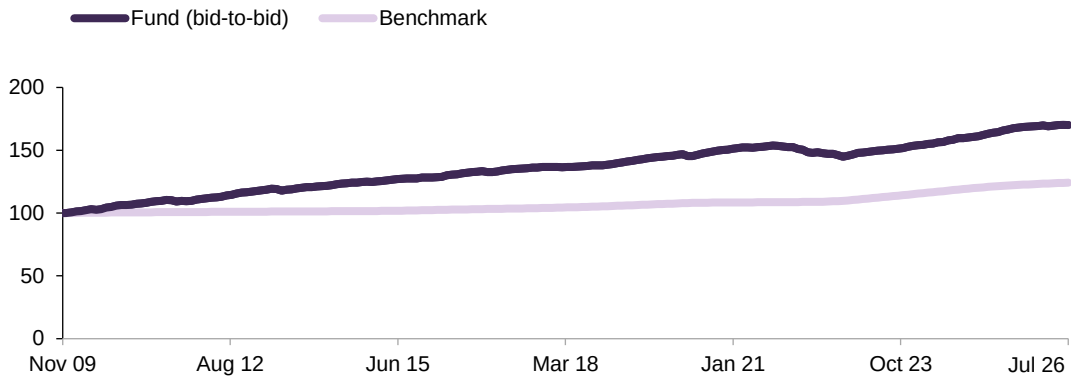
Investment Objective

The investment objective of the Fund is to achieve medium-term capital appreciation for investors. The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

Investment Focus and Approach

The Fund is primarily focused on fixed income securities and money market instruments. The Fund may invest in futures and derivatives for hedging purposes. The maturity limit of underlying securities is 5 years and all foreign currency denominated bonds are fully hedged back to SGD except for a 5% frictional currency limit.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	-0.07	0.17	0.34	1.80	3.77	1.72	2.19	2.84	1.30
Fund (offer-to-bid)	-2.98	-2.75	-2.58	-1.16	2.75	1.12	1.89	2.66	NA
Benchmark	0.15	0.42	0.84	1.84	3.19	2.72	1.89	1.30	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 3% which may or may not be charged to investors.
Benchmark: 3M SORA + 0.60% p.a.
With effect from 1 August 2023, the benchmark is 3M SORA + 0.60% p.a. From inception till 31 July 2023, the benchmark was 3M SIBID.
Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date
09 Nov 2009

Fund size
SGD 1,133.36 million

Base Currency
SGD

Pricing Date
31 Jul 2026

NAV*
SGD 1.60

Management fee
Currently 0.50% p.a.

Expense Ratio
0.39% p.a. (For financial year ended 31 Mar 2026)

Minimum Initial Investment
SGD 100,000

Minimum Subsequent Investment
SGD 10,000

Preliminary Charge
Up to 3%

Dealing day
Daily, up to 5pm (Singapore time)

Bloomberg Code
FULSTB1 SP

ISIN Code
SG9999006464

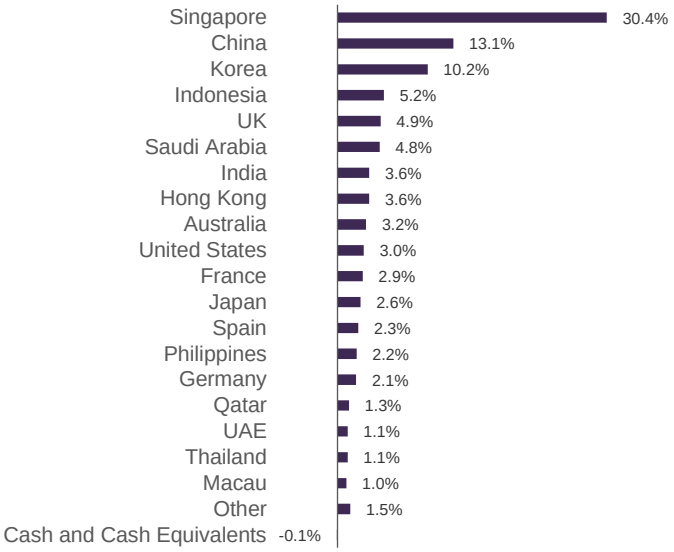
The Fund is available for SRS subscription.

* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

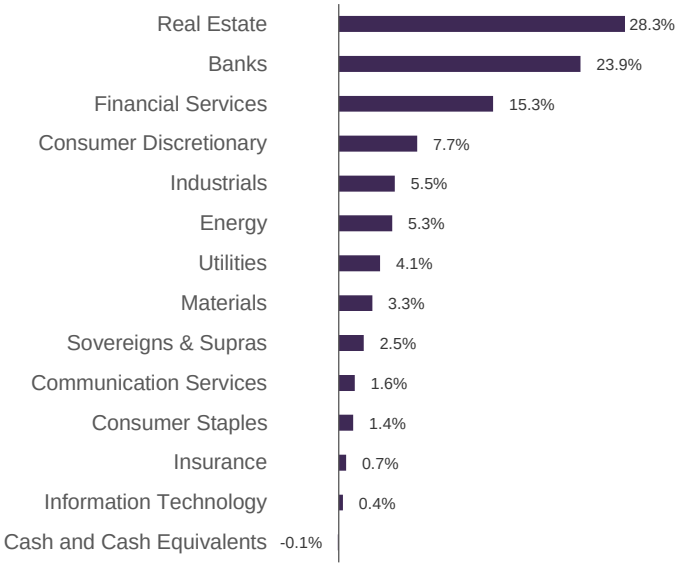
FULLERTON FUND MANAGEMENT
A member of Seviora Group

■ Portfolio

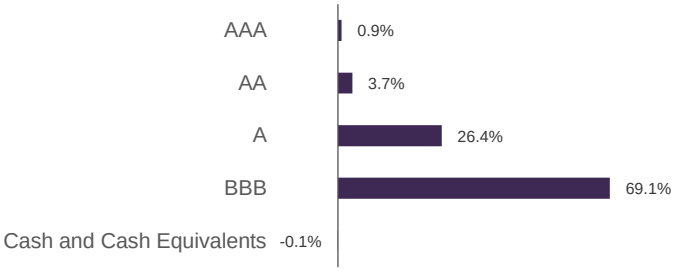
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	4.0%
Average credit rating	BBB
Number of holdings	173
Average duration (years)	2.2
Yield to Worst (before hedging)	3.5%
Yield to Worst (after hedging)	2.3%

Top 5 Holdings

Deutsche Bank AG 4.400 Apr 2028	2.1%
Seatrium Financial Services Pte Ltd 2.950 Apr 2031	2.1%
HSBC Holdings PLC 4.500 Jun 2029	2.0%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	1.8%
Banco Santander SA 3.600 Oct 2030	1.7%

Credit Rating : Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.
Yield to Worst (YTW): Refers to YTW in base currency taking into account the hedging cost. Not guaranteed. Past performance is not necessarily indicative of future performance.
Negative balances are due to cross month trades.

FULLERTON FUND MANAGEMENT

A member of Seviora Group

Market Review

July saw global bond markets influenced by evolving monetary policy expectations alongside geopolitical developments. Escalating Middle East tensions and ongoing Russia-Ukraine energy supply concerns drove oil prices higher during much of the month, while new US tariffs added another layer of trade policy uncertainty. Following the Fed's decision to leave policy rates unchanged, short-dated yields initially declined while longer-dated yields rose as markets generally interpreted the decision as delaying rather than eliminating future tightening. Economic data also contributed to volatility during the month, with softer June CPI and PPI releases temporarily pulling yields lower, while hawkish comments from Fed officials, and further oil price gains subsequently pushed yields higher. By month-end, US Treasury yields moved higher, with the yield curve bear steepening. The 2,10 and 30year Treasury yields rose by 12bps, 27bps and 32bps, respectively.

In Singapore, the fixed income market was underpinned by resilient economic growth and a modest further tightening in monetary policy. Advance estimates showed Q2 2026 GDP expanding 5.7% y/y and 1.1% q/q (sa), with manufacturing up 12.2% on robust AI-related electronics demand, reinforcing a widening positive output gap and expectations of firm growth into H2 2026. On 27 July, MAS responded by tightening for the second meeting in a row, increasing the slope of the Singapore dollar nominal effective exchange rate (S$NEER) policy band "very slightly" (smaller than April's move) while keeping the band's width and centre unchanged, citing persistent imported cost pressures, higher fuel and input costs.

Inflation data released during the month were consistent with this narrative of gradually firming but contained price pressures. The joint MAS-MTI release for June showed core inflation rising to 1.6% y/y (from 1.4% in May), while headline CPI-All Items edged up to 1.9% y/y, with food and services the main drivers and overall prices flat on a month-on-month basis. The Singapore authorities reiterated a 2026 full-year forecast of 1.5–2.5% for both core and headline and flagged that higher global energy prices from April to mid-June would start to lift regulated electricity tariffs from July.

Against this backdrop and alongside higher global yields, SGS moved higher over the month: the 10-year SGS yield rose from about 2.0% at the start of the month, before ending July at 2.3%. The non-government sector also declined but held up better than the SGS peers, according to the Markit ALBI Singapore non-government index. In the realm of Asian credit, the Asian US dollar credit markets posted a negative return over the month due primarily to the sharp rise in US Treasury yields more than offset coupon income and spread performance. Investment grade bonds underperformed the high yield peers, reflecting their higher duration and therefore greater sensitivity to the sell-off in US Treasuries. In contrast, the high yield segment proved more resilient, benefiting from stronger spread performance and its lower interest rate sensitivity.

Investment Strategy

Global credit markets are being driven by a mix of resilient US growth, elevated but contained inflation and higher all-in yields. The US economy continues to hold up despite renewed geopolitical tensions, supported in part by AI-related capital expenditure even as uncertainties around Federal Reserve (Fed) policy have contributed to a steeper US yield curve and bouts of rate volatility. At the same time, Middle East developments keep oil as an important short-term driver for inflation expectations.

Within this global context, Asian and SGD credit remain relatively well-positioned. Asian credit markets have, on the whole, been relatively stable, supported by stronger balance sheets and more conservative leverage profiles. The global capex cycle is favourable for Asia: the AI investment upcycle is underpinning export demand across key manufacturing hubs, even as Asian inflation-targeting central banks have turned more hawkish to anchor inflation expectations and safeguard financial stability. For Singapore, MAS's calibrated tightening and still-moderate inflation forecasts provide a constructive framework for SGD rates, while the domestic corporate sector remains fundamentally robust.

Against such a backdrop, we are maintaining our current duration positioning and look to reinvest maturity proceeds into high-conviction ideas, participating in primary issues that offer attractive new issue concessions and solid credit fundamentals, as well as in secondary market opportunities where spread moves create value in quality names. Given elevated SGD hedging costs, we remain selective in non-SGD credit, investing only where expected total returns remain attractive after hedging while benefiting from the broader opportunity set available beyond the SGD credit market.

FULLERTON
FUND MANAGEMENT
A member of Seviora Group

For additional information on Fullerton and its funds, please contact:

Fullerton Fund Management Company Ltd (UEN: 200312672W)
3 Fraser Street
#18-28 DUO Tower
Singapore 189352

T +65 6808 4688 | F +65 6820 6878
www.fullertonfund.com

Disclaimer:
This document is for information only and does not constitute an offer or solicitation to deal in units of the Fund(s). Investments in the Fund(s) are not obligations of, deposits in, or guaranteed or insured by Fullerton Fund Management Company Ltd, or any of its affiliates. Past performance is not necessarily indicative of future performance. Investors should read the Prospectus, which is available from Fullerton Fund Management Company Ltd or any of its distributors, before deciding whether to subscribe for or purchase units in the Fund(s). If investors are in any doubt about the contents of the Prospectus, they should obtain independent professional advice. Allocations are subject to change.

This document is issued by Fullerton Fund Management Company Ltd (UEN: 200312672W) ("Fullerton") and is only directed at persons in Brunei Darussalam who are Accredited Investors or Expert Investors as defined under the Securities Markets Order, 2013. This advertisement or publication has not been reviewed by the Autoriti Monetari Brunei Darussalam. Potential investors should be aware that an investment in the Fund(s) is subject to investment risks, including the possible loss of the principal amount invested.